



# Committee On Finance

Max Baucus, Ranking Member

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Contact: Melissa Mueller/Wendy Carey  
202-224-4515

## **Baucus Encourages R&D Tax Credit Permanence**

(WASHINGTON, D.C.) U.S. Senator Max Baucus issued the following statement of support to make the R&D tax credit permanent following the release of a letter by the R&D Credit Coalition to Congress from hundreds of companies that support a permanent, strengthened R&D tax credit.

Baucus is the lead Democratic sponsor of S. 627, a bill to make permanent the R&D tax credit along with several program enhancements. The prior version of this bill passed the Senate as an amendment to the JOBS bill (S. 1637 in 108<sup>th</sup> Congress). Baucus offered it as an amendment during conference negotiations on the middle-class tax bill (HR 1308, PL 108-311), but House leaders insisted that the expiring provisions, including R&D, only be temporarily extended and without modifications. At that time, the R&D tax credit had expired (on June 20, 2004), but the conference report restored the lapsed credit and extended it through December 31, 2005.

The statement follows:

“I welcome this letter from more than 500 American companies calling for enactment of a permanent R&D tax credit. American workers, including many in my home state of Montana, benefit from the high-paying technology jobs fostered by the R&D credit. These are good paying jobs that Montana residents want to keep. I am hopeful that this endorsement letter will spur Congressional leaders to make the Hatch-Baucus bill a priority for passage.

“The R&D tax credit has proven it is an effective incentive. It should be a permanent part of the tax code so that U.S. businesses can rely on it for long-term projects. I look forward to working on enacting this important provision with my friend Sen. Hatch and our House colleagues.”

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